GOVERNMENT OF INDIA
EXTERNAL AFFAIRS
LOK SABHA

STARRED QUESTION NO:355
ANSWERED ON:07.08.2002
FREE TRADE AGREEMENT
ALE NARENDRA

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) the number of SAARC countries with which India has signed Free Trade Agreement (FTA);

(b) whether after signing the agreement there has been any improvement in investment flow and strengthening of economic relationship;

(c) if so, the details thereof;

(d) whether signing of such an agreement has been taken up with Pakistan; and

(e) if so, the details thereof and response of Pakistan thereto?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS(SHRI OMAR ABDULLAH)

(a) Amongst the SAARC Member Countries, India at present has a Free Trade Agreement (FTA) only with Sri Lanka.

(b&c) Yes, sir. The Free Trade Agreement with Sri Lanka came in to force on 15th December, 2001. The total trade between the two countries increased from Rs.2354 crore in 1999-2000to Rs.3108 crores in 2000-2001. India`s exports registered a growth of 33.90% to Rs.2896 crores.

In terms of investment flows, since the Free Trade Agreement became operational, 12 projects have been established. Current approvals of India`s investments in Sri Lanka stand at US $ 242 million.

(d&e) No, Sir. There is no proposal at present a negotiate on Free Trade Agreement with Pakistan.